



SPECIAL MEETING AGENDA MINUTES

Date: 4/28/2020
Time: 4:30 p.m.
Closed Session Location: Teleconference
Special Meeting Location: GoToWebinar

NOVEL CORONAVIRUS, COVID-19, EMERGENCY ADVISORY NOTICE

On March 19, 2020, the Governor ordered a statewide stay-at-home order calling on all individuals living in the State of California to stay at home or at their place of residence to slow the spread of the COVID-19 virus. Additionally, the Governor has temporarily suspended certain requirements of the Brown Act. For the duration of the shelter in place order, the following public meeting protocols will apply.

Teleconference meeting: All members of the City Council, city staff, applicants, and members of the public will be participating by teleconference. To promote social distancing while allowing essential governmental functions to continue, the Governor has temporarily waived portions of the open meetings act and rules pertaining to teleconference meetings. This meeting is conducted in compliance with the Governor Executive Order N-25-20 issued March 12, 2020, and supplemental Executive Order N-29-20 issued March 17, 2020.

- How to participate in the meeting
 - Submit a written comment online:
menlopark.org/publiccommentApril28 *
 - Record a comment or request a call-back when an agenda topic is under consideration:
Dial 650-474-4071 *
 - Access the special meeting real-time online at:
joinwebinar.com – Regular Meeting ID 455-111-155
*Written and recorded public comments and call-back requests are accepted up to 1 hour before the meeting start time. Written and recorded messages are provided to the City Council at the appropriate time in their meeting. Recorded messages may be transcribed using a voice-to-text tool.
- Watch special meeting:
 - Cable television subscriber in Menlo Park, East Palo Alto, Atherton, and Palo Alto:
Channel 26
 - Online:
menlopark.org/streaming

Note: City Council closed sessions are not broadcast online or on television and public participation is limited to the beginning of closed session.

Subject to Change: Given the current public health emergency and the rapidly evolving federal, state, county and local orders, the format of this meeting may be altered or the meeting may be canceled. You may check on the status of the meeting by visiting the City's website www.menlopark.org. The instructions for logging on to the webinar and/or the access code is subject to change. If you have difficulty accessing the webinar, please check the latest online edition of the posted agenda for updated information (menlopark.org/agenda).

According to City Council policy, all regular meetings of the City Council are to end by midnight unless there is a super majority vote taken by 11:00 p.m. to extend the meeting and identify the items to be considered after 11:00 p.m.

A. Call to Order

Mayor Taylor called the meeting to order at 4:41 p.m.

B. Roll Call

Present: Carlton, Combs, Nash, Mueller, Taylor

Absent: None

Staff: City Manager Starla Jerome-Robinson, Interim City Attorney Cara Silver, Police Chief Dave Bertini, Deputy Community Development Director Rhonda Coffman

C. Closed Session

C1. Conference with Legal Counsel – Anticipated Litigation: Significant exposure to litigation pursuant to § 54956.9(b)
Number of cases – 1

C2. Threat to Public Services or Facilities (Government Code § 54957)

Consultation with: City of Menlo Park Director of Emergency Services and Interim City Attorney

No reportable actions.

Mayor Taylor adjourned the meeting at 5:45 p.m.

D. Call To Order

Mayor Taylor called the meeting to order at 6:10 p.m.

E. Roll Call

Present: Carlton, Combs, Nash, Mueller, Taylor

Absent: None

Staff: City Manager Starla Jerome-Robinson, Interim City Attorney Cara Silver, City Clerk Judi A. Herren, Deputy City Clerk Neetu Salwan

F. Report from Closed Session

None.

G. Presentations and Proclamations

G1. San Mateo County Economic Development Association (SAMCEDA) presentation

President and CEO San Mateo County Economic Development Association (SAMCEDA) Rosanne

Foust made the presentation (Attachment).

- Deanna Chung requested that childcare providers be included in the program.
- Jen Wolosin spoke in support of allocating capital improvement project funds to small business assistance.

The City Council received clarification on how Menlo Park City funds would be allocated to Menlo Park small businesses. City Council also discussed the communications SAMCEDA uses to alert small businesses to the San Mateo County Strong funding opportunities. City Council requested that staff discuss budget allocations to this program during item I2.

I. Regular Business

Mayor Taylor reordered the agenda.

- I2. Review projected revenue shortfalls resulting from the COVID-19 emergency, adopt Resolution No. 6556 amending the City Council adopted fiscal year 2019-20 general fund budget, and approve a budget strategy for fiscal year 2020-2021 (Staff Report #20-093-CC)

Assistant City Manager Nick Pegueros and Assistant Administrative Services Director Dan Jacobson made the presentation (Attachment).

- Pamela Jones suggested allocating funds for 2020 Census, retention and training for long term employees, and support of an independent redistricting committee (Attachment).
- Fran Dehn spoke in support of grants for emergency funding for small businesses.
- Karen Grove requested consideration for the most vulnerable be taken into account during budget discussions and spoke in support of continuing the climate action plan and the use of reserve funds.
- Josie Gaillard spoke in support of the use of the economic stabilization reserve fund to balance the budget.
- Heather Hopkins spoke in support of prioritizing the needs of childcare.

The City Council supported the use of reserve funds for fiscal year 2019/20 but directed staff to review alternatives for fiscal year 2020/21.

City Council took a break at 8:04 p.m.

City Council reconvened at 8:16 p.m.

The City Council had consensus to fund the small business grant program offered by SAMCEDA and discussed the amount to be allocated.

ACTION: Motion and second (Carlton/ Nash) to: 1) adopt 2019-20 budget amendment Resolution No. 6556 attached to staff report with additional appropriation of \$70,000 from reserves to SAMCEDA; 2) directed staff to return with a balanced budget for 2020-21, and identify services and programs proposed for reduction to enable Council to consider reinstating such services and programs using funding sources such as one time funds; 3) recommend that the Chamber of Commerce seek additional SAMCEDA contributions from local businesses who remain fiscally capable, passed unanimously.

H. Study Session

H1. Provide direction on capital improvement plan projects and funding proposals (Staff Report #20-092-CC)

Public Works Director Nikki Nagaya made the presentation (Attachment).

- Tom Kabat spoke in support of using bonds to fund projects and to consider reallocating funds for the hydration station project.
- Adina Levin spoke in support of retaining funds for climate action plan efforts, take advantage of strategies to advance projects that help meet climate goals, to continue advancing Middle Avenue pedestrian and bicycle crossing of Caltrain tracks, and to consider prioritizing support for childcare, housing support programs, and programs that support local businesses.

The City Council received clarification on projects in the capital improvement plan (CIP) including welcome to Menlo Park monument signs, Caltrain grade separation, the Gate House fence repair, and inquired about available budgets for each project and using bond funds to advance projects. The City Council discussed future use of rubberized asphalt and requested staff return in the future to provide policy direction on paving projects before they go out to bid.

Staff was directed to return the capital improvement plan as part of the 2020/21 budget item after exploring alternatives to repurpose additional projects anticipated next year. Staff would return with general information about the water system as part of the water rate setting process, currently anticipated for a May 2020 City Council meeting.

I. Regular Business

I1. Update the City Council and public on COVID-19 health emergency and the City's response (Attachment)

Management Analyst II Michael Noce, Police Chief Dave Bertini and Library Services Director Sean Reinhart made the presentation (Attachment).

- Jennifer Baskin spoke in support of lifting the shelter in place order (Attachment).

ACTION: By acclamation, the City Council extended the meeting past 11 p.m.

The City Council discussed the draft reactivation plan and the providing San Mateo County with a list of high contact areas within Menlo Park city limits. The City Council also clarified that the shelter in place order is issued and governed by the County and State.

J. Adjournment

Mayor Taylor adjourned the meeting at 11:12 p.m.

Judi A. Herren, City Clerk

These minutes were approved at the City Council meeting of May 26, 2020.



Fund Update & Small Business Assistance Program Plan

APRIL 2020

SMC Strong Funds Distribution Plan for *Initial Measure K Allocation*



Recipient	Amount
COVID-19 Emergency Financial Assistance Program for Individuals and Families through <i>8 Core Services Agencies</i>	\$1,000,000
PHASE I: COVID-19 Financial Assistance to Non-Profits for Increased Demand <ul style="list-style-type: none">• <i>8 Core Services Agencies</i>• <i>7 Homeless Shelter Providers</i>	\$1,000,000
COVID -19 Small Business Assistance Grants of up to \$10,000 <i>(\$1,000,000 = 100 grants)</i>	\$1,000,000
TOTAL County Measure K Contribution	\$3,000,000

Ongoing Fundraising Efforts for San Mateo County



- **Silicon Valley Community Foundation**
 - COVID-19 Regional Response Fund (individuals & families in 10 county region)
 - Regional Nonprofit Emergency Fund (San Mateo & Santa Clara counties)
- **San Mateo County Strong Fund**
 - Individuals & Families
 - Non-Profits
 - Small Business Grants
 - *All funding stays in San Mateo County*
- **City participation in San Mateo County Strong Fund**
- **City participation in self-implemented grant and loan programs**



\$484 Billion in New Federal Pandemic Relief

- **\$320 billion** to replenish the *Paycheck Protection Program*, which offers guarantees for forgivable loans to small businesses if a majority of the money is used to retain employees
 - *About a fifth of the funding for the small-business loan program, \$60 billion, would be set aside for smaller lenders*
- **\$60 billion** for the Small Business Administration's disaster relief fund — divided into \$50 billion in loans and \$10 billion in grants
- **\$75 billion** for hospitals
- **\$25 billion** for coronavirus testing

California Portal for Pandemic Unemployment Assistance



As part of the federal [CARES Act](#), the new Pandemic Unemployment Assistance (PUA) program helps **unemployed** Californians who are:

- Business owners
- Self-employed
- Independent contractors (have limited work history, and others not usually eligible for regular state UI benefits who are out of business or services are significantly reduced as a direct result of the pandemic)

The provisions of the program once operational include:

- Up to 39 weeks of benefits starting with weeks of unemployment beginning February 2, 2020, through the week ending December 26, 2020*, depending on when you became directly impacted by the pandemic.
- An additional \$600 to each PUA weekly benefit amount you may be eligible to receive, as part of the separate CARES Act Pandemic Additional Compensation program. Only the weeks of a claim between March 29 and July 25* are eligible for the extra \$600 payments.

- TO APPLY, PLEASE VISIT -

https://edd.ca.gov/about_edd/coronavirus-2019/pandemic-unemployment-assistance.htm

SMC Strong Small Business Grant Program



Grants up to \$10,000

- \$1 million = 100 Grants
- Grants can pay for payroll, operations, ongoing expenses or other costs associated with COVID-19 impacts

Partnering with San Mateo Credit Union Community Fund

- Funds distributed to all cities and unincorporated area based on population for Measure K funds
- Funds distributed based on donor targeting for city funds
- Other funding models based on donor choice
- *No citizenship requirement*

Due to overwhelming demand and limited funding, the small business grant application portal is closed.

If you had technical issues submitting your application on Monday, April 27, 2020 and you need technical assistance, please email info@flashlight.us with a description of your problem.

Small Business Eligibility Criteria



Be a for-profit company with at **least two employees**
(owner counts as one employee)



Have a **current business license**
(if required by jurisdiction)



Have an **office, storefront or business space** that is open to the public in San Mateo County



Has the equivalent of **10 or fewer full-time employees** as of 2/15/20
--- OR ---
less than \$2.5 million in annual gross revenue over past year



Have been **open at least a year**



Demonstrate a **25% reduction** in gross revenue due to COVID-19

April 28th Update

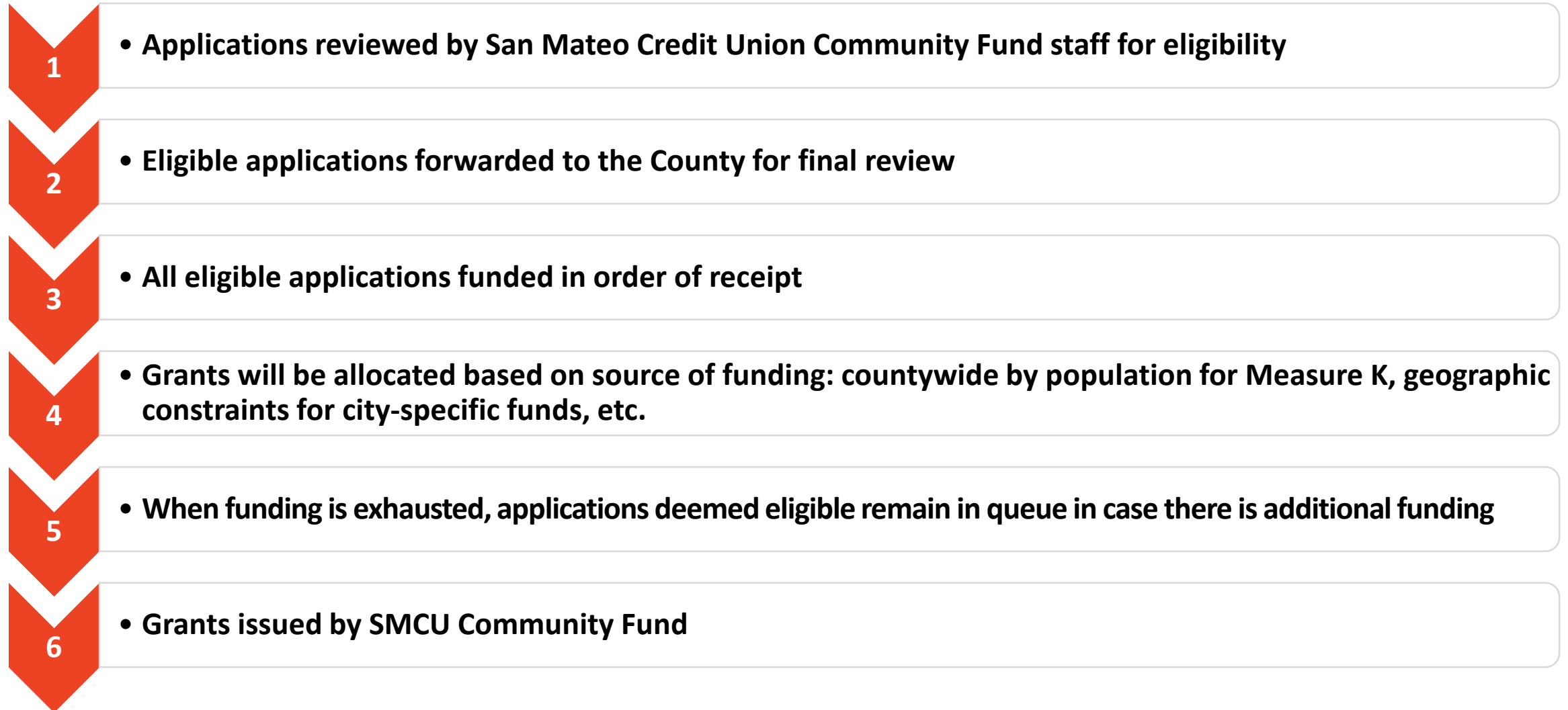


- To provide context the portal opened on Monday, April 27th at 12:00pm and closed at 4:00pm
 - In that four hour period of time 2,530 applications were started, of which 659 applications were completed and submitted
 - As of noon today, we have 992 completed applications
- We are working with the remainder of those who started an application to finish the process

We anticipate the need to be in excess of \$15 million county-wide for those who completed the application *and* are qualified



Process for Reviewing Applications and Awards



Additional Funding for City - Specific Small Business Grants thru SMCSF



Cities - Pledges to Date

- Burlingame: \$500,000
- Colma: \$15,000
- Daly City: \$75,000
- Redwood City: \$300,000
- San Carlos: \$112,000
- San Mateo: \$400,000



Under Consideration:

- *Atherton*
- *Woodside*



Informational Presentations

- *Belmont (planned)*
- *East Palo Alto*
- *Menlo Park (planned)*
- *Millbrae (planned)*
- *Pacifica*
- *San Bruno*

Grant Program Outreach and Awareness



Social Media



**SMC Strong
Webpage**



**Chambers of
Commerce**



**Ethnic Business
Groups**



Earned Media



Cities/Town

Need Is Great – How Can You Help?



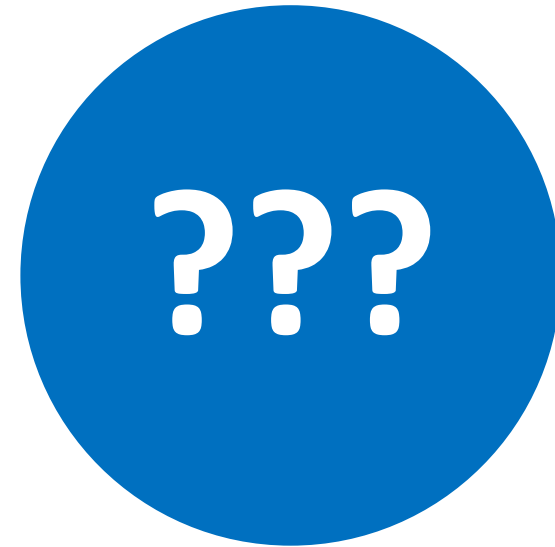
Raise \$\$



Raise \$\$

Raise More \$\$

The *more* \$\$ we raise the *more*
small businesses we can SAVE!

Questions







CIP OVERVIEW

- 73 funded projects
- 34 received funding in FY2019-20
- 7 categories
 - Buildings & systems
 - Environment
 - Parks & recreation
 - Stormwater
 - Streets & sidewalks
 - Traffic & transportation
 - Water system
- Programmatic categories: Parks (minor), Sports field renovations, Traffic signal modifications, etc.



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FUNDING THE CIP

- General fund: annual transfer of approximately \$3.5m
- Other sources:
 - Grants
 - Dedicated sources: water, transportation impact, stormwater, solid waste, etc.
 - Development agreement community benefits (e.g., Downtown amenities fund)
- Prior fiscal years, surplus revenues at the end of the year used to pre-fund CIP projects for the following year:
 - Santa Cruz Avenue Sidewalks (Phase 1)
 - Chrysler Pump Station
 - Nealon Park Playground
 - Sharon Road Sidewalks

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FY2020-21 CIP AT-A-GLANCE

- \$23.8m infrastructure investment
- \$12.5m from General Fund CIP per staff report
- \$11.3m from other funding sources and grants
- Maximizing alternative funding sources, \$10.5m General Fund CIP support:
 - \$3.5m annual transfer for recurring projects
 - \$3.8m one-time projects
 - \$3.2m flood control projects



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COUNCIL DIRECTION REQUESTED

- Whether to reconsider FY2019-20 funded projects?
- Confirmation on recommendations for FY2020-21 projects:
 - Funding levels
 - Proposed funding sources for future projects
- Focused on projects to be funded by general fund


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EVALUATION CRITERIA

- Prioritization: Tiers 1, 2, and 3
- Requisite: Yes or No
 - Regulatory compliance
 - Preservation of City assets
 - Grant funding timelines
 - Correct an existing deficiency
- Progress planned for FY20-21: Yes or No

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STAFF RECOMMENDATIONS

- Will highlight proposed changes:
 - New projects
 - Funding recommendations
 - Delays
- Present summary of projects in each category
- Funds from completed projects revert to fund balance
 - Police Parking Lot Security
 - Trash and Recycling Strategic Plan
 - Parks & Recreation Master Plan Update (implementation in future years)
 - Green Infrastructure Plan


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STAFF RECOMMENDATIONS


- Consider repurposing funds from FY2019-20 and carryover projects to fund current needs
 - Furniture Replacement
 - Downtown Parking Structure Study
- Funds would be re-programmed in a future year, closer to when anticipated to be expended
- Consider alternative funding sources, where possible

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CITY BUILDING AND SYSTEMS

Project	Priority	Requisite	Progress	Available Budget	Planned FY 20-21	Recommendation	Requested FY20-21
Belle Haven Community Center & Library	Tier 1	Yes	Yes	New project	n/a	Add new project	\$2.25m
Fire Plan and Equipment Replacement	Tier 1	Yes	Yes	\$173,335			
Mobile Operations Center	Tier 1	Yes	Yes	\$450,000			
IT Master Plan and Implementation	Tier 1	Yes	Yes	\$1,779,454	\$1.25m	Keep	\$1.25m
City Buildings (Minor)	Tier 2	Yes	Yes	\$1,271,910	\$0.50m	Reduce	\$0.25m
City Buildings HVAC Modifications	Tier 3	Yes	Yes	\$530,300			
Furniture Replacement	Tier 3	No	No	\$400,000		Return to fund balance	
Facilities Maintenance Master Plan	Tier 3	No	No	\$150,000			
Gatehouse Fence Replacement	Tier 3	Yes	Yes	\$72,047			
Main Library Improvements	Tier 3	No	No	\$436,743			


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- ## CITY BUILDING AND SYSTEMS
- Add Belle Haven Community Center & Library
 - Repurpose prior library and OHCC improvement budgets
 - Itemize subcomponents (water line, possible pool project)
 - Will be an ongoing effort to refine budget and sources prior to budget adoption
 - Reduce funds for annual Buildings (minor) program
 - Return \$0.40m carryover Furniture Replacement to fund balance



ENVIRONMENT

Project	Priority	Requisite	Progress	Available Budget	Planned FY 20-21	Recommendation	Requested FY20-21
Heritage Tree Ordinance Program Evaluation	Tier 1	n/a	n/a	\$29,237		Substantially complete	
Climate Action Plan	Tier 2	n/a	n/a	\$307,980	\$100,000	Keep	\$0.10m
Electric Vehicle Chargers at City Facilities	Tier 2	No	Yes	\$22,391	\$400,000	Pursue grant funds	\$0
Hydration Stations	Tier 2	No	Yes	\$340,005			
Sea Level Rise Resiliency Plan	Tier 3	No	No	\$150,000			

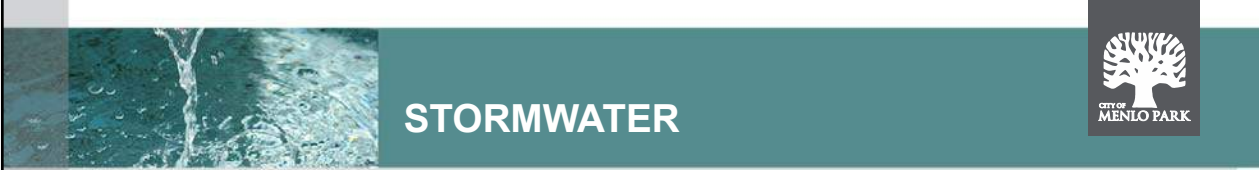
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- ## ENVIRONMENT
- Consider alternative (grant) funding source for EV chargers at City facilities
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Project	Priority	Requisite	Progress	Available Budget	Planned FY20-21	Recommendation	Requested FY20-21
Bedwell Bayfront Park Collection and Leachate System Repair	Tier 1	Yes	Yes	\$4,052,368			
Park Playground Equipment	Tier 1	No	Yes	\$0	\$500,000	Increase; alternative funding source	\$0.80m
Aquatic Center Maintenance (Annual)	Tier 2	Yes	Yes	\$646,881	\$400,000	Keep	\$0.40m
Bedwell Bayfront Park Master Plan Implementation	Tier 2	Yes	Yes	\$150,000	\$1.35m	Keep (grant)	\$1.35m
Park Improvements (Minor)	Tier 2	Yes	Yes	\$196,098	\$200,000	Keep	\$0.20m
Tennis Court Maintenance	Tier 2	Yes	Yes	\$338,610	\$120,000	Keep	\$0.12m
Civic Center Campus Improvements	Tier 3	No	No	\$89,952	\$300,000	Repurpose to Park Playground Equipment	\$0
Park Pathways Repair	Tier 3	Yes	Yes	\$698,111	\$500,000	Keep	\$0.50m
Sports Field Renovations	Tier 3	Yes	Yes	\$300,000	\$300,000	Keep	\$0.30m
Willow Oaks Park Improvements	Tier 3	No	Yes	\$808,830			

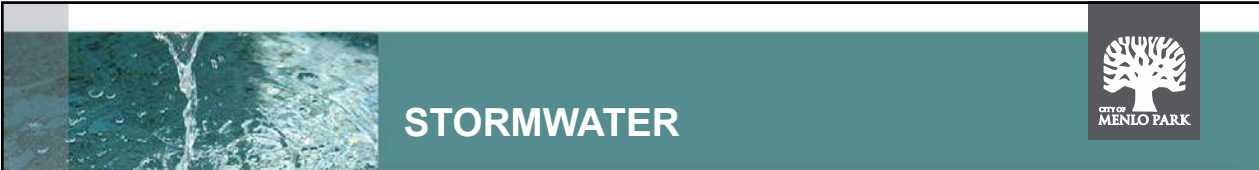
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- Repurpose funds for Civic Center Improvements to Park Playground Equipment (Burgess, Willow Oaks Park)
 - Repurpose Belle Haven Pool Master Plan Implementation funds to BHCCL Pool Project (moved to City Buildings & Systems)



STORMWATER

Project	Priority	Requisite	Progress	Available Budget	Planned FY20-21	Recommendation	Requested FY20-21
Chrysler Pump Station	Tier 1	Yes	Yes	\$10,752,973			
Bayfront Canal and Atherton Flood Protection	Tier 2	Yes	Yes	\$182,295	TBD	Anticipated request	\$1.20m
San Francisquito Creek Upstream of US 101 Flood Protection	Tier 3	Yes	Yes	\$89,841	TBD	Placeholder	\$2.0m
Stormwater Master Plan	Tier 3	Yes	Yes	\$39,659			
Willow Place Bridge Abutment Repair	n/a	No	No	\$0	\$250,000	Delay	\$0

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STORMWATER

- Defined anticipated contributions for major flood control projects
 - Bayfront Canal & Atherton Channel
 - San Francisquito Creek Upstream of US 101

- Delay Willow Place Bridge Abutment repair work

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STREETS AND SIDEWALKS



Project	Priority	Requisite	Progress	Available Budget	Planned FY20-21	Recommendation	Requested FY20-21
Chilco Street and Sidewalk Installation	Tier 1	Yes	n/a	\$34,617			
Oak Grove SRTS and Green Infrastructure	Tier 1	Yes	n/a	\$102,925			
Street Resurfacing Project	Tier 1	Yes	Yes	\$1,834,450	\$2.03m	Keep (various sources)	\$2.03m
Downtown Parking Structure Study	Tier 2	No	No	\$720,718		Return to fund balance	
Pierce Road Sidewalk and San Mateo Drive Bike Route Installation	Tier 2	Yes	Yes	\$1,160,651			
Santa Cruz and Middle Avenue Resurfacing	Tier 2	Yes	Yes	\$2,219,046			
Sharon Road Sidewalk Installation	Tier 2	Yes	Yes	\$899,970			
Sidewalk Repair Program	Tier 2	Yes	Yes	\$456,940	\$550,000	Keep	\$0.55m
Downtown Parking Utility Underground	Tier 3	Yes	Yes	\$161,000	\$500,000	Keep (Parking Permits)	\$0.50m

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STREETS AND SIDEWALKS (CONT.)



Project	Priority	Requisite	Progress	Available Budget	Planned FY20-21	Recommendations	Requested FY20-21
Downtown Streetscape Improvement	Tier 3	No	No	\$303,288	\$100,000	Keep (Alt source?)	\$0.10m
Plaza 7 Renovations	Tier 3	Yes	Yes	\$200,000			
Plaza 8 Renovations	Tier 3	Yes	Yes	\$200,000			
Ravenswood Avenue (Alma to Marcussen) Street Resurfacing	Tier 3	No	Yes	\$100,000	\$850,000	Keep (Gas Tax)	\$0.85m
Streetlight Conversion	Tier 3	Yes	Yes	\$75,000	\$1.30m	Delay partial appropriation	\$0.65m
Welcome to Menlo Park Monument Signs	Tier 3	No	No	\$180,000	\$400,000	Delay to future year	\$0
Willow Road (Middlefield to US-101) Street Resurfacing	Tier 3	No	Yes	\$150,000	\$1,000,000	Keep (construction impact fee)	\$1.0m

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STREETS AND SIDEWALKS



- Return \$0.72m carryover Downtown Parking Structure Study to fund balance
 - Replace with programmed funds in FY22-23
 - Coordinate with updates to El Camino Real/Downtown Specific Plan to consider mixed uses in combination with parking structure
 - Consider alternative funding sources in future
- Delay partial appropriation for Streetlight Conversion to future year (\$650,000)
- Delay construction funds for Welcome to Menlo Park monument signs (\$400,000)

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TRAFFIC AND TRANSPORTATION



Project	Priority	Requisite	Progress	Available Budget	Planned FY20-21	Recommendation	Requested FY20-21
Middle Ave Caltrain Crossing Study Design and Construction	Tier 1	Yes	Yes	\$6,137,882			
Ravenswood Avenue Caltrain Grade Separation	Tier 1	No	No	\$295,477			
Transportation Master Plan	Tier 1	No	Yes	\$24,157			
Willow/101 Interchange Improvements	Tier 1	Yes	Yes	\$185,138			
New project: AHSC grant-funded improvements	Tier 1	Yes	Yes	\$0	If awarded		
Bayfront Expressway, Willow Road and Marsh Road Adaptive Signal	Tier 2	Yes	Yes	\$60,440			
Haven Avenue Streetscape Improvements	Tier 2	No	Yes	\$1,067,930			
Oak Grove, University, Crane Bicycle Extension	Tier 2	No	No	\$80,825			
Transit Improvements	Tier 2	Yes	Yes	\$28,788			



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TRAFFIC AND TRANSPORTATION (CONT.)

Project	Priority	Requisite	Progress	Available Budget	Planned FY20-21	Recommendation	Requested FY20-21
Transportation Projects (Minor)	Tier 2	Yes	Yes	\$505,986	\$175,000	Alternative funding source	\$0.175m
Dumbarton Rail Corridor Planning Support	Tier 3	No	n/a	\$0			
El Camino Real Crossing Improvements	Tier 3	No	No	\$261,401			
Middlefield and Linfield, Santa Monica Crosswalk Improvement	Tier 3	No	No	\$80,000			
Traffic Signal Modification	Tier 3	Yes	Yes	\$959,000	\$350,000	Keep (TIF)	\$0.35m
Willow Road Transportation Study	Tier 3	No	No	\$159,692			
Willows Neighborhood Complete Streets	Tier 3	No	No	\$300,000			

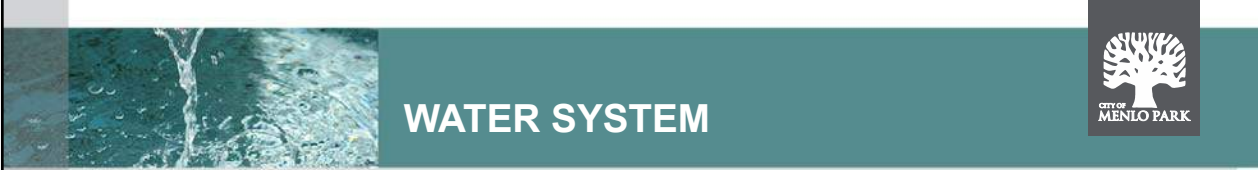
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TRAFFIC AND TRANSPORTATION

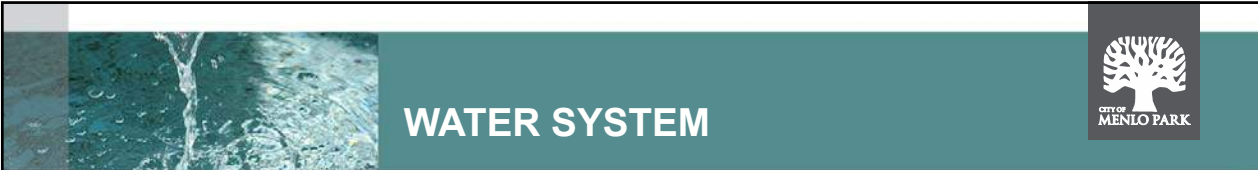
- Fund Transportation projects (minor) through updated Transportation Impact Fee program
- If awarded, add grant funds for Affordable Housing and Sustainable Communities improvements


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Project	Priority	Requisite	Progress	Available Budget	Planned FY20-21	Recommendation	Requested FY20-21
Emergency Water Storage/Supply	Tier 1	Yes	Yes	\$2,152,253	\$2,800,000	Delay appropriation to future year	\$0
Water Main Replacement Project (Annual)	Tier 1	Yes	Yes	\$2,184,143	\$3,600,000	Reduce appropriation to fund planned projects	\$1.8m
Reservoir No. 2 Roof Replacement	Tier 2	Yes	Yes	\$4,032,685	\$0	Increase to award construction contract	\$1.0m
Reservoirs No. 1 and No. 2 Mixers	Tier 2	Yes	Yes	\$98,908			
Urban Water Management Plan	Tier 2	Yes	Yes	\$140,000			
Automated Meter Reading	Tier 3	Yes	Yes	\$1,090,680	\$0	Advance funds/increase to award construction contract	\$0.775m

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- Increase funds for Automated Meter Reading
 - Delay additional appropriation for Emergency Water Storage/Supply to FY21-22
 - Increase funds for Reservoir No. 2 Roof Replacement
 - Keep partial appropriation for Water Main Replacement project
 - Haven Avenue
 - O'Brien Drive
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SUMMARY

- Reduced total requested funds from \$28.9m to \$23.8m (18%)
- New funds requested for 29 projects
- Maximizing alternative funding sources, \$10.5m General Fund CIP reduced from \$12.5m per staff report (further 17% reduction)
- Results in:
 - \$3.5m annual transfer for recurring projects
 - \$3.8m one-time projects
 - \$3.2m flood control projects

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COUNCIL DIRECTION REQUESTED

- Whether to reconsider FY2019-20 funded projects?
 - Downtown Parking Structure Study
 - Furniture Replacement
- Confirmation on recommendations for FY2020-21 projects:
 - Funding levels
 - Proposed funding sources for future projects



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COUNCIL DIRECTION REQUESTED

- Downtown Parking Structure Study
- Furniture Replacement
- Downtown Streetscape Improvements
- Street Resurfacing Project
- Downtown Parking Utility Undergrounding priorities

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THANK YOU

Agenda item 11

Jennifer Baskin, Menlo Park resident

My point of view is some of these SIP rules are taking a disproportionate economic toll on the most vulnerable population of our community. Assuming that people will pay or pre-pay for these services without work is a poor assumption; many people who have these services are not in the economic position to do so and others are philosophically opposed to it. Either way, that gardener's livelihood is sustained only by the largesse of all his/her customers, which is unsustainable.

I believe that landscapers, house cleaners, construction workers and individual service providers like beauty salons are able to provide their services with the appropriate protection, thereby limiting health exposure effects. The social and economic advantage of opening up these services by far exceeds the risk. Ultimately, we should be lifting SIP as the goal of public policy should not be to eliminate the risk of COVID-19, but rather to mitigate, manage and function as a society with it. This is all against the backdrop of our hospital system which is overflowing with excess capacity.

My broader opinion is SIP should be lifted May 4. Our state, county and city are the envy of the country and yet we bear a massive economic (and health) cost every day we maintain these punitive measures.

A wide landscape photograph showing a river or stream winding through a green, hilly area. The sky is filled with large, white and grey clouds, suggesting a bright but slightly overcast day. The water reflects the sky and the surrounding greenery.

FISCAL YEAR 2019-20 BUDGET AMENDMENTS AND 2020-21 STRATEGY

April 28, 2020

A close-up photograph of a riverbank. The foreground is dominated by tall, thin grasses and several small, purple flowers. The river water is visible on the right side of the frame, reflecting the sky.



AGENDA

- Overview of request for direction
- Fiscal year 2019-20 budget update
- Fiscal year 2020-21 budget strategy
- Recap of recommendations



REQUESTED DIRECTION

- Amend the 2019-20 budget
 - Estimated salary savings
 - Unspent non-personnel funds due to modified operations
 - Use of Economic Stabilization reserve
 - Balance budget
 - Small business relief efforts
- Adopt a 2020-21 budget strategy
 - Revenue estimates
 - Personnel savings through negotiations or layoff
 - Non-personnel reductions
 - Use of Economic Stabilization reserve or capital funds

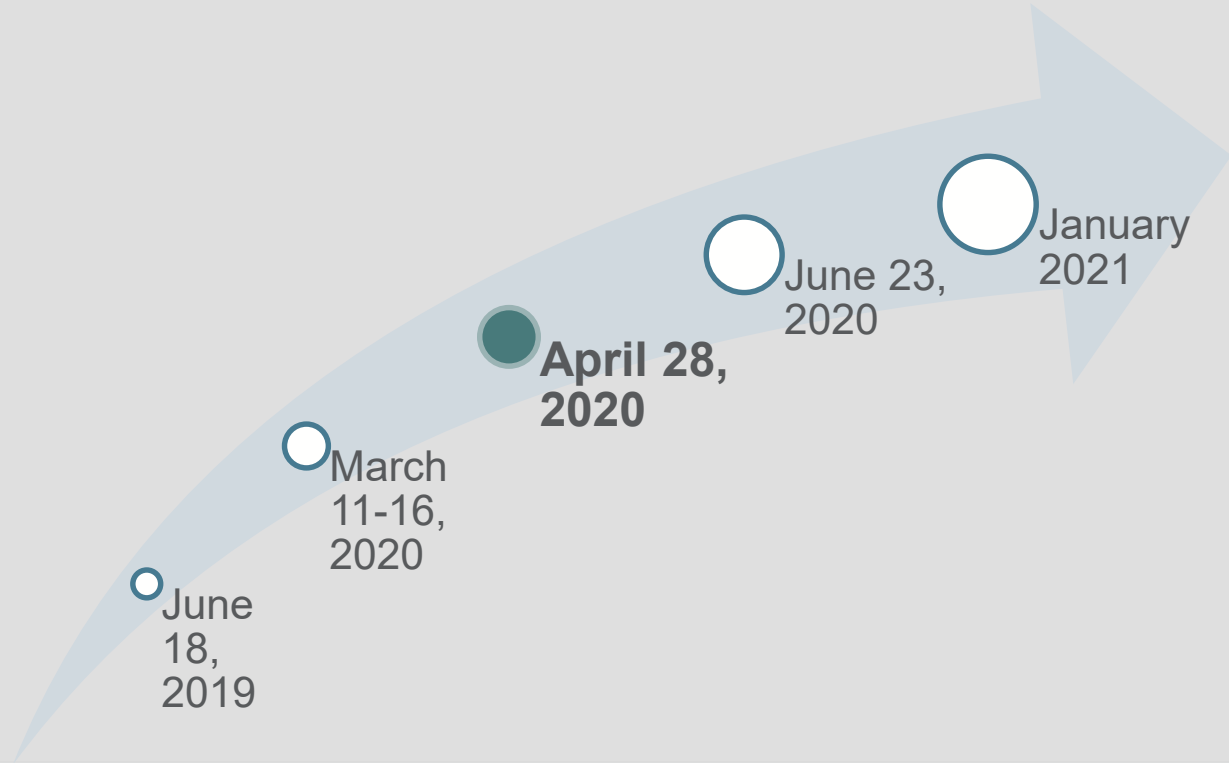


ASSUMPTIONS

- Subsequent “waves”
 - Social distancing
 - Other mitigation efforts
 - Economic instability
- Resumption of congregate activities/programs/services
- Federal relief for local governments



BUDGET TIMELINE





FISCAL YEAR 2019-20



2019-20 BUDGET OVERVIEW

- Adopted June 18, 2019
- COVID-19 stay at home order impacts
 - \$8.01 million revenue shortfall
 - \$5.69 million expenditure reductions
 - \$2.32 million deficit without additional action
- Direction requested on recommended amendments



2019-20 REVENUE ESTIMATES (TABLE 2)

Revenue category	Adopted	Year-end estimate	Recommended amendment
Taxes			
Property	\$ 27,591,314	\$ 28,240,638	\$ 649,324
Sales	6,361,440	5,361,440	(1,000,000)
Transient Occupancy Tax	10,251,565	6,751,565	(3,500,000)
Utility Users' Tax	1,211,000	1,735,758	524,758
Franchise fees	2,067,466	1,883,956	(183,510)
Permits and licenses	4,586,000	3,703,377	(882,623)
Charges for services			
Community Services	5,163,600	3,078,218	(2,085,382)
Community Development	1,448,150	1,084,300	(363,850)
Other	5,818,200	5,355,212	(462,988)
Other revenues	3,715,746	3,004,744	(711,002)
Total revenue	\$ 68,214,481	\$ 60,199,208	\$ (8,015,273)



2019-20 PERSONNEL ESTIMATES (TABLE 3)

Department	Adopted	Year-end estimate	Recommended amendment
Police	\$ 17,077,068	\$ 16,084,501	\$ (992,567)
Public Works	7,035,067	6,452,027	(583,040)
Community Services	7,211,837	6,772,788	(439,049)
Library	2,934,759	2,815,884	(118,876)
Community Development	4,945,704	4,176,967	(768,737)
City Manager's Office	2,348,184	2,014,083	(334,101)
Administrative Services	2,311,853	2,298,922	(12,932)
Non-departmental	824,830	1,814,929	990,099
Total personnel	\$ 44,689,302	\$ 42,430,100	\$ (2,259,203)



2019-20 NON-PERSONNEL ESTIMATES (TABLE 4)

Department	Adopted	Year-end estimate	Recommended amendment
Police	\$ 4,051,565	\$ 4,059,027	\$ 7,463
Public Works	6,335,592	6,454,918	119,326
Community Services	2,985,093	2,177,104	(807,989)
Library	1,003,717	1,003,717	-
Community Development	3,591,490	2,777,127	(814,363)
City Manager's Office	1,623,782	1,450,317	(173,465)
Administrative Services	1,293,161	1,028,338	(264,823)
Non-departmental	1,755,170	255,170	(1,500,000)
Total personnel	\$ 22,639,570	\$ 19,205,718	\$ (3,433,851)



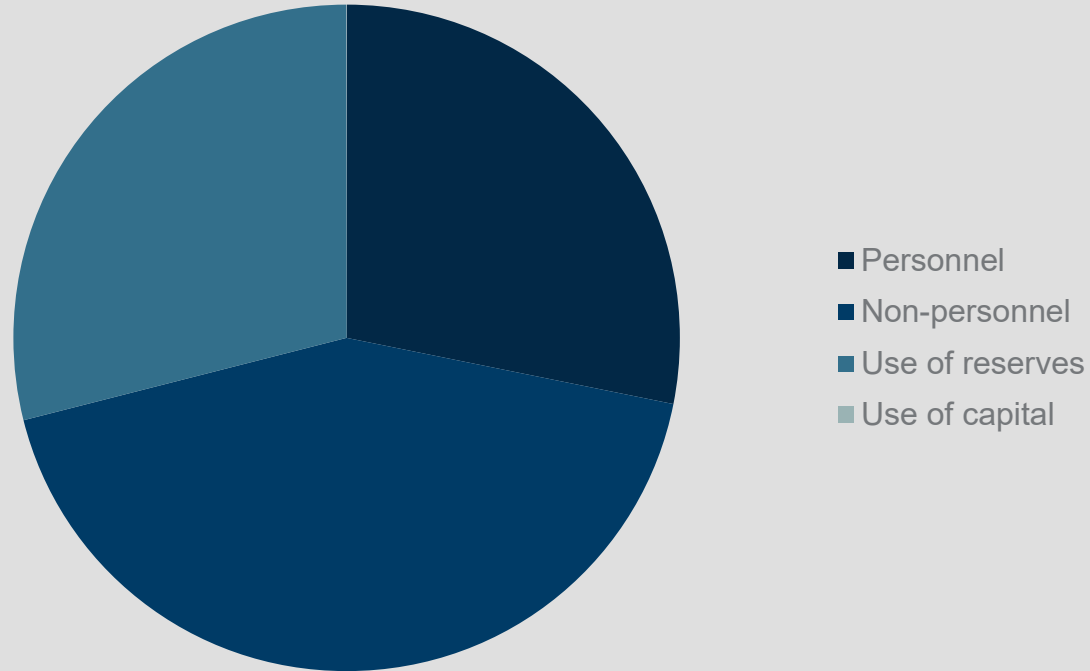
2019-20 USE OF RESERVES (TABLE 5)

	Pessimistic*	Most likely	Optimistic
Beginning reserve balance, July 1, 2019	\$ 14,000,000	\$ 14,000,000	\$ 14,000,000
Use of reserve (budget amendment)	(2,902,773)	(2,322,219)	(1,857,775)
SAMCEDA - SMCCounty Strong		(70,000)	
Ending reserve balance, June 30, 2020	\$ 11,097,227	\$ 11,607,781	\$ 12,142,225

* Recommended amendment, however staff will only use the amount required to close the General Fund deficit.



2019-20 REVENUE SHORTFALL OFFSETTING EXPENDITURE REDUCTIONS





RECOMMENDED BUDGET AMENDMENT

- **Revenue**
 - Reduce expected TOT, sales tax, and charges for services totaling \$8.01 million
- **Personnel**
 - Reallocate vacancy factor of \$1.20 million
 - Reduce personnel budget by additional \$2.26 million
- **Non-personnel**
 - Remove \$1.50 million contingency budget
 - Reduce operating budget by additional \$1.93 million
- **Reserves**
 - Appropriate funds for San Mateo County Strong fund
 - Appropriate reserves to close \$2.32 anticipated deficit, not to exceed \$2.90 million
- **Questions and comments on fiscal year 2019-20 budget amendment recommendations**



FISCAL YEAR 2020-21





2020-21 BUDGET OVERVIEW

- Must be adopted before July 1, 2020
- Economic impacts of COVID-19 expected to impact baseline budget (fiscal year 2019-20 adopted budget)
 - \$12.69 million revenue shortfall
 - Up to \$10.67 million expenditure reductions
 - \$3.77 million requirement for other resources
- Requested direction on recommended strategy



2020-21 REVENUE REDUCTION ESTIMATES (TABLE 7)

Revenue category	Pessimistic	Most likely	Optimistic
Property taxes	\$ (293,715)	\$ -	\$ 293,715
Hotel taxes (TOT)	(7,691,119)	(5,534,568)	(3,378,018)
Sales taxes	(1,674,368)	(1,339,494)	(1,004,621)
Licenses and permits			
Building	(901,923)	(409,965)	-
Engineering	(674,650)	(337,325)	-
Charges for services	(6,454,646)	(4,867,484)	(3,280,323)
Other revenue	(800,000)	-	400,000
Total revenue	\$ (18,929,337)	\$ (12,688,343)	\$ (6,969,247)



2020-21 CHARGES FOR SERVICES REDUCTION ESTIMATES (TABLE 7)

Revenue category	Pessimistic	Most likely	Optimistic
Charges for services			
Planning	\$(438,916)	\$ (199,507)	-
Gymnastics	(1,426,500)	(1,069,875)	(713,250)
Pre-school childcare	(2,244,000)	(1,683,000)	(1,122,000)
Contract classes	(737,500)	(553,125)	(368,750)
School-age childcare	(556,000)	(417,000)	(278,000)
Sports (youth & adult)	(743,700)	(557,775)	(371,850)
Rentals	(370,000)	(277,500)	(185,000)
Events & concerts	(106,000)	(106,000)	(106,000)
Other community services	(270,946)	(203,209)	(135,473)
Total charges for services	\$ (6,454,646)	\$ (4,867,484)	\$ (3,280,323)



2020-21 PERSONNEL ESTIMATES (TABLE 8)

Employee group	Baseline budget
City Council	\$ 43,536
Unrepresented management	4,573,182
Police Sergeants Association	2,728,446
Police Officers' Association	8,031,365
AFSCME Local 829	4,697,220
SEIU Local 521	12,715,408
Unrepresented confidential	715,275
Subtotal personnel	33,504,432
Recommended change	(4,570,057)
Recommended strategy	\$ 28,934,375



2020-21 NON-PERSONNEL ESTIMATES (TABLE 9)

Department	Baseline budget
Police	\$ 4,051,565
Public Works	6,335,592
Community Services	2,985,093
Library	1,003,717
Community Development	3,591,490
City Manager's Office	1,623,782
Administrative Services	1,293,161
Non-departmental	1,755,170
Total	22,639,570
Minimum target reduction	(6,100,000)
Recommended strategy	\$ 16,539,570



2019-20 AND 2020-21 BUDGET COMPARISONS

Category	Fiscal year 2019-20	Fiscal year 2020-21	Total	Percent of revenue
Revenue shortfall	\$ (8,015,273)	\$ (12,688,343)	\$ (20,703,616)	100%
Personnel changes	(2,259,203)	(4,570,057)	(6,829,260)	33%
Operations changes	(3,433,851)	(6,100,000)	(9,533,851)	46%
Use of reserves or capital	\$ (2,322,219)	\$ (3,765,377)	\$ (6,087,596)	29%



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THANK YOU

Agenda item 12

Pamela Jones, Menlo Park resident

Hello Mayor Taylor, Vice Mayor Combs, Council members Nash, Mueller and Carlton and Staff,

This is an unprecedented and difficult time on so many levels and I appreciate your work to address the 2020-2021 Budget challenges. As you work through cuts that maybe required, please do so from a lens of our Guiding Principles and a commitment to retaining/retraining long-time employees.

It is also important to include funding for the redistricting process which will need to begin following the release of 2020 Census data in March 2021. As you are all aware I support the establishment of an Independent Redistricting Commission in which the cost is about the same as our previous Advisory Districting Committee in 2018 dollars. How we approach redistricting is a later discussion. What is important that funding be included in the 2020-2021 Budget.

Thank-you for your commitment to the residents of Menlo Park.

Respectfully,

Pamela D. Jones, Resident